



State of California

# Employment Training Panel

Arnold Schwarzenegger, Governor

July 7, 2009

Todd Yepez, Human Resources &  
Professional Development Manager  
PCL Industrial Services, Inc.  
1500 South Union Avenue  
Bakersfield, CA 93307

Dear Mr. Yepez:

**RE: FINAL MONITORING VISIT REPORT for PCL Industrial Services, Inc. – ET08-0220**

<b>Date of the Visit:</b>	7/01/09
<b>Beginning/Ending Time:</b>	1:15 p.m. – 2:15 p.m.
<b>Date of Last Visit:</b>	11/15/08
<b>Visit Location:</b>	Bakersfield
<b>Persons in attendance:</b>	Stephanie Pierucci, HR, Coordinator, PCL Industrial Services Gilberto Pelaez, ETP Analyst
<b>Action Required:</b>	No

## **CONTRACT INFORMATION:**

<b>Term of Agreement:</b>	10/01/07 – 9/30/09	<b>Agreement Amount:</b>	\$172,800
<b>Training Start Date:</b>	10/08/07	<b>No. to Retain:</b>	40
<b>Date Training must be Completed:</b>	7/02/09	<b>Range of Hours:</b>	24 - 240
<b>Type of Trainee:</b>	Retrainee	<b>Weighted Ave. Hours:</b>	240

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ETP (04/15/05)

**FINAL REPORT SUMMARY:**

• **HISTORY OF AGREEMENT CHANGES**

The Agreement was executed on 10/22/07 and training began on 10/08/07. Your staff reported that all training was completed on 1/21/09, which allows for the 90-day retention period to be completed within the term ending date of the Agreement on 9/30/09.

PCL Industrial's records and information provided by your staff indicated that 41 (100%) of the 40 trainees specified in the Agreement have completed training and the 90 day retention period. PCL Industrial Services projects earning of \$172,800 which is 100% of the amount approved for this contract. Current ETP records show that PCL Industrial Services has been paid \$138,240 for the placement and retention of 32 trainees. Invoices totaling \$34,560 for the placement/retention of nine more trainees are being processed by the Fiscal Unit.

In reference to the overall experience PCL Industrial Services, Inc. had in implementing the ETP project, the contractor's staff addressed the following questions:

- 1) What barriers, if any, did your company experience in implementing your ETP project? *Navigating the application process.*
- 2) What problems, if any, did your company experience with ETP record keeping? *None.*
- 3) What assistance could ETP have provided that would improve the process for future Contractor's? *The payment time period is ridiculously slow—speed up the payment process. We submitted our invoices with all the required paperwork --- did it after the trainees had completed their 90 day retention period—and it took months to get paid.*
- 4) How did your company benefit from the ETP training? *PCL was able to afford training employees at entry level position (virtually no skill level) to a skilled position with substantially greater income. For the state we took low income employees and made them potentially middle class income wage earners—we gave the state higher tax payers.*

**PROJECT STATUS PROVIDED BY THE CONTRACTOR:**

Job Number	Number to Retain	Number Enrolled in Training	Number of Trainees Dropped (following enrollment)	Number of Trainees Completed Minimum Hours	Number of Trainees Completed all Training	Number of Trainees Completed Retention
1	40	47	6	41	41	41
Totals:	40	47	6	41	41	41

Project staff verified that the information noted above matches the data on the Contract Status Report.

### **ATTENDANCE ROSTERS/ INVOICES:**

The Analyst reviewed the attendance rosters for 10 trainees billed for final payment on Invoices 9 & 11. In comparing the ETP tracking data with the attendance rosters, it appears that duplicate training hours were reported for several trainees as follows: a roster dated 1/21/09, for 10 hours of Manufacturing Skills class/lab training was reported on the tracking system as 20 hours for Darren Billesback. The hours reported for eight trainees who attended the same class/lab were correct.

Benjamin Alcantar was credited with 20 hours of class/lab training on 8/21/08 instead of the 10 hours documented on the attendance roster. There are also 20 hours of training credited to this trainee on 9/11/08 instead of the ten recorded on the attendance roster. It must be noted that the aforementioned rosters indicated that in addition to Mr. Alcantar, eight trainees attended the same class and were credited with the incorrect hours (20). The review also revealed that must trainees completed more than the 240 hours specified in the Agreement, Thus, since all invoicing has been done and it would be very time consuming and cumbersome to correct those hours now, it appears that there is more than sufficient hours completed by the trainees to substitute the duplicate hours mentioned above.

The above findings are based only on the training records reviewed during this visit and represent only a sample of the training records completed to date. Therefore, it is your responsibility to ensure that all training records comply with panel requirements for auditing purposes. (Reference: Title 22 California Code of Regulations, Section 4442)

### **AUDIT:**

PCL Industrial Services, Inc. will be notified in writing if this agreement is selected for an audit that will be conducted either at your site (field audit) or by telephone if selected for a desk audit (or "review"). These notifications will be sent in advance to allow ample preparation time and will include a list of documentation that will be examined by the auditor. A list of the documentation typically examined during an audit will be included along with the Audit Notification and Audit Confirmation letters. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

**RECORD RETENTION:**

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

**If you have any questions or comments regarding this report, please contact Mr. Pelaez at (818) 755-1323 or by email at [gpelaez@etp.ca.gov](mailto:gpelaez@etp.ca.gov) within ten (10) working days from the receipt of this letter.**

Sincerely,

**Signature on file**

Wally Aguilar, Manager  
North Hollywood Regional Office

**Signature on file**

Gilberto Pelaez, Contract Analyst  
North Hollywood Regional Office

cc: David Guzman, Chief, ETP Audit & Programs Operations Division  
Kulbir Mayall, Manager, Fiscal and Certification Unit  
Master File  
Project File

Date report mailed to Contractor 7/13/09